

HOUSE BILL No. 1068

DIGEST OF INTRODUCED BILL

Citations Affected: None (noncode).

Synopsis: NIPSCO audit. Establishes the Northern Indiana Public Service Company (NIPSCO) audit committee to audit the financial records of NIPSCO and to report the results of the audit to the general assembly. Provides that the committee includes two members of the senate, two members of the house of representatives, two attorneys, and two certified public accountants. Requires NIPSCO to pay 50% of the cost of the audit.

Effective: Upon passage.

Kromkowski, Pelath

January 4, 2006, read first time and referred to Committee on Utilities and Energy.

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Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1068

A BILL FOR AN ACT concerning the general assembly.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
2 **SECTION, "committee" refers to the NIPSCO audit committee**
3 **established by subsection (d).**

4 (b) **As used in this SECTION, "NIPSCO" refers to the Northern**
5 **Indiana Public Service Company and any affiliates, joint ventures,**
6 **and partnerships of the Northern Indiana Public Service Company.**

7 (c) **The general assembly finds that a comprehensive financial**
8 **audit of NIPSCO is necessary to determine the following:**

9 (1) **Whether the rates paid by electric and gas customers of**
10 **NIPSCO are appropriate with respect to the services received**
11 **by the customers.**

12 (2) **Whether the statutes regulating NIPSCO are appropriate**
13 **based on the corporate structure and intracompany practices**
14 **of NIPSCO, its parent corporation (NiSource), and the**
15 **subsidiaries of the parent corporation.**

16 (d) **The NIPSCO audit committee is established.**

17 (e) **The committee shall do the following:**

18 (1) **Complete, or cause to be completed, a financial audit of**

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NIPSCO.

(2) Determine whether changes are necessary to the statutes regulating NIPSCO's rates and services.

(3) Recommend any other legislation concerning NIPSCO that the committee finds is necessary.

(f) The committee may study other topics assigned by the legislative council or as directed by the committee chair.

(g) The committee consists of eight (8) members appointed as follows:

(1) Two (2) members of the senate, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.

(2) Two (2) members of the house of representatives, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the speaker of the house of representatives.

(3) Two (2) licensed attorneys who are appointed by the governor and who are not members of the general assembly.

(4) Two (2) certified public accountants who are appointed by the governor and who are not members of the general assembly.

(h) The chairman of the legislative council shall appoint a legislative member of the committee to serve as chair of the committee. Whenever there is a new chairman of the legislative council, the new chairman may remove the chair of the committee and appoint another chair.

(i) If a legislative member of the committee ceases to be a member of the chamber from which the member was appointed, the member also ceases to be a member of the committee.

(j) A legislative member of the committee may be removed at any time by the appointing authority who appointed the legislative member.

(k) If a vacancy exists on the committee, the appointing authority who appointed the former member whose position is vacant shall appoint an individual to fill the vacancy.

(l) The committee shall submit a final report of the results of its audit and its recommendations to the legislative council before November 1, 2007. The report must be in an electronic format under IC 5-14-6.

(m) The legislative services agency shall provide staff support to the committee.

(n) Each member of the committee is entitled to receive the

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1 same per diem, mileage, and travel allowances paid to individuals
2 who serve as legislative and lay members, respectively, of interim
3 study committees established by the legislative council.

4 (o) The affirmative votes of a majority of the members
5 appointed to the committee are required for the committee to take
6 action on any measure, including the final report.

7 (p) Except as otherwise provided by this act, the committee shall
8 operate under the rules of the legislative council.

9 (q) All costs necessary to carry out this act shall be paid as
10 follows:

11 (1) Fifty percent (50%) of the costs shall be paid by NIPSCO.

12 (2) Fifty percent (50%) of the costs shall be paid from
13 appropriations to the legislative council and the legislative
14 services agency.

15 (r) This SECTION expires December 31, 2007.

16 SECTION 2. An emergency is declared for this act.

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